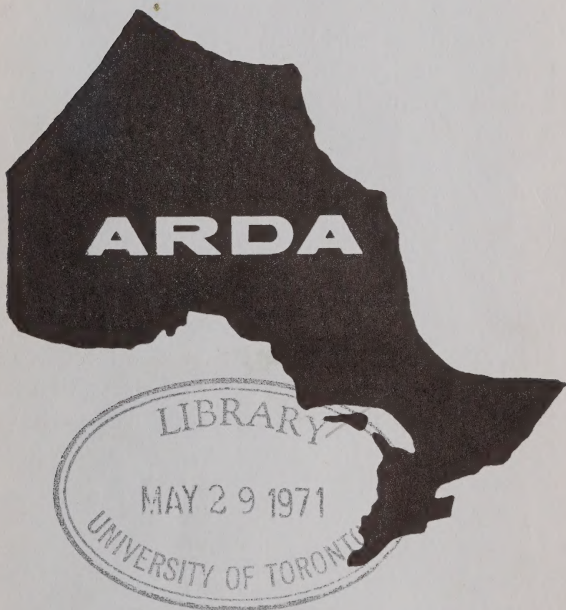


CA2 ONI
AF
-Z018

Government
Publications

real publications,

6-5
**INCENTIVES FOR
INDUSTRY
IN
RURAL ONTARIO**



**ONTARIO
DEPARTMENT OF AGRICULTURE AND FOOD**

Parliament Buildings, Toronto

EVERETT BIGGS
Deputy Minister

HON. WM. A. STEWART
Minister

FOREWORD

The Federal-Provincial Rural Development Agreement 1970-75 places major emphasis on the following programs to assist rural people make adjustments which they feel are necessary to improve their income:

Farm Enlargement

Land Consolidation and Adjustment

Retraining and Rehabilitation

Resource Development

Alternative Income and Employment
Opportunities

It has been traditional to associate employment opportunities only with large urban centres. The economic and social advantage for certain types of industries to be located in rural areas has often been ignored. The Federal-Provincial Rural Development Agreement 1970-75 provides incentives for industry and tourist development in certain rural areas of Ontario to create employment opportunities for rural people.

This program is administered by the ARDA Branch of the Ontario Department of Agriculture and Food through its field staff whose locations are listed on the last page of this brochure. The co-operation of the Ontario Development Corporation in making this program effective is gratefully acknowledged.

The ARDA field staff provides a continuing counselling service to rural people, to help them identify their problems, and counsel them on a choice of alternatives from a wide variety of programs and opportunities that best meet their needs.

H. F. CROWN,
Director, ARDA Branch

INCENTIVES FOR INDUSTRY

Rural Ontario has been faced with many changes over the past twenty-five years. Improvements in production technology have consistently reduced the number of people required in primary agriculture.

To obtain a satisfactory living from farming requires increasing amounts of land, management skills and capital. Farmers who are restricted in any one of these three essential factors must either make the necessary adjustments to stay in agriculture or move into other employment. It is recognized, however, that there are many farmers who because of age are not prepared to make major adjustments in their farm operation and because of lack of non-farm skills cannot readily obtain other employment. These people often decide to gradually retire from agriculture and supplement their income from non-farm sources. This type of adjustment does not create major problems. For the younger man of an employable age, adjustment out of agriculture has many obstacles, not the least of which is the lack of saleable skills he has to offer in non-farm employment. In this situation, retraining programs are available, information on which can be obtained from the ARDA field staff.

There are many types of small industries, ranging from processing of products grown in rural areas to manufacturing facilities, which do not need to be located in large urban centres to maintain their competitive position on the market place. If these were assisted to establish in slow growth rural areas, there may be the advantages of lower production costs and the provision of employment opportunities for rural people. Care must be exercised to ensure that industries are not encouraged to establish in rural areas where their costs of production will be more than in urban areas and where the municipality is unable to provide the services required by the industry.

OBJECTIVE OF THE PROGRAM

The objective of this program is to provide employment opportunities for rural people by assisting industries to establish or expand in certain rural areas of Ontario.

ELIGIBLE PROJECTS

This assistance is available for the following types of projects:

1. the establishing of new processing or manufacturing facilities utilizing renewable natural resources.
2. the expansion and modernization of present processing or manufacturing facilities utilizing renewable natural resources.
3. the establishment or expansion of facilities or services deemed necessary for new or additional production of selected primary and secondary products.
4. the establishment, expansion or modernization of publicly-owned park and tourist facilities or services, including where necessary the acquisition of land.
5. the carrying-out of forest stand improvement operations on Crown or publicly-owned land.

FINANCING

1. For projects which qualify under Categories 1, 2 or 3, the owners must contribute not less than 50 per cent of the project cost.
2. For projects qualifying under Category 4, the municipality or local government must contribute at least 25 per cent of the total cost.

3. For projects qualifying under Category 5, the shareable cost, that is the amount requested by both the Province of Ontario and the Government of Canada, shall not exceed \$35 per acre.
4. The financial feasibility of projects are examined by the Ontario Development Corporation who act as agent for ARDA.

Assistance for approved projects and programs in Categories 1, 2 and 3 is in the form of loans which are forgivable at the rate of:

10 per cent per year for the first five years and balance forgiven in the sixth year. In other words, the business or service must continue for a minimum of six years in order to make the total loan forgivable.

GENERAL

Only those businesses and services that will locate in selected rural areas of the province are eligible. Essentially these selected rural areas are the Counties of Grey and Bruce, the north parts of Simcoe, Ontario and Peterborough Counties, the east part of Northumberland and the Counties of Hastings, Prince Edward, Renfrew, Lennox and Addington, Frontenac, Lanark, Leeds, Ottawa-Carleton, Grenville, Dundas, Stormont, Russell, Prescott and Glengarry, and the rural settled areas in the Territorial Districts of the Province. The large urban centres in these counties are not eligible for assistance under this program.

- (a) The industry must gain some economic advantage through location in a rural area.
- (b) There must be a proven market for the product or service.

- (c) Available local labour must be of a type compatible with the needs of the business or service.
- (d) Owners must have sufficient equity in the operation to ensure that after assistance from ARDA, the operation will be viable over a long term.
- (e) The location of the industry must be consistent with local and regional development policies.

ADMINISTRATION

Application forms are submitted in duplicate to the ARDA Branch, Ontario Department of Agriculture and Food. If the application is considered eligible under the Rural Development Agreement, it is forwarded to the Ontario Development Corporation, a provincial Crown agency responsible to the Ontario Minister of Trade and Development. The O.D.C. consults directly with the applicant to analyse and assess the financial capability of the industry and, if necessary, will offer management advice. On completion of the analysis by O.D.C., their recommendations are submitted to ARDA.

ADDITIONAL INFORMATION

To find out more about eligible projects and programs, contact local Rural Development Officers and Rural Development Counsellors as listed. In areas where there is no ARDA field staff, information may be obtained from the County or District Office of the Ontario Department of Agriculture and Food.

RURAL DEVELOPMENT FIELD STAFF ARDA BRANCH

**ONTARIO DEPARTMENT OF AGRICULTURE
AND FOOD**

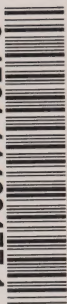
ARDA FIELD STAFF

Rural Development Officers

J. R. BROWN	Box 188, Gore Bay
C. E. DAHMS	Box 110, Plantagenet
W. HERMANS	315 Raglan St. S., Renfrew
B. B. HODGINS	181 Toronto St. S. Markdale
D. A. KNAPP	Box 2004, Kemptville
R. T. McMAHON	Box 651, Kingston

Rural Development Counsellors

D. J. BELLAMY	10 Sunset Blvd., Perth
P. BUTLER	Box 110, Plantagenet
R. A. COULOMBE	Box G, New Liskeard
R. F. DEYO	Box 1600, Napanee
W. H. E. DOBSON	Box 2004, Kemptville
D. EMKE	Markdale
G. FOSTER	Box 2004, Kemptville
J. G. GALWAY	Box 651, Kingston
C. HALL	Box 340, Stirling
W. J. HARDMAN	Box 188, Gore Bay
C. HURTUBISE	Box 110, Plantagenet
A. LEITH	Box 300, Walkerton
L. McALLISTER	Box 579, Alexandria
R. B. McALLISTER	Box 665, 109 - 11th St. W., Cornwall
J. D. PALMER	1496 Wellington St. E., Sault Ste. Marie
C. M. PATRICK	315 Raglan St. S., Renfrew
C. ST. PIERRE	222 McIntyre St. W., North Bay
C. POTVIN	Matheson
G. W. RITCHIE	181 Toronto St. S. Markdale
W. SHIER	Box 208, Bancroft
R. L. SLADE	Box 300, Walkerton
L. R. TRIVERS	Front St., Emo



3 1761 11469477 1